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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] Quarterly report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 1991 or

[ ] Transition report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 0-7107

RECD S.E.C.
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PROCESSED BY

SOUTHERN SCOTTISH INNS, INC.
(Exact name of registrant as specified in its charter)

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

LOUISIANA	72-0711739
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

2875 19th Street, Gulfport, Mississippi	39501
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code 601-865-0061

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _____ No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Date	Class	Outstanding
October 31, 1991	Common Stock	2,301,198 Shares

BEST COPY AVAILABLE

SOUTHERN SCOTTISH INNS, INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	March 31 1991 (unaudited)	December 31 1990 (audited)
CURRENT ASSETS:		
Cash - Sav. & Time Deposits	$ 21,192	$ 281,495
Accounts Receivable	536,961	882,366
Mortgages & Notes Receivable	214,978	176,270
Inventory	20,230	16,689
Prepaid Expenses	83,482	78,092
Interest Receivable	262,510	263,847
Total Current Assets	$1,139,353	$ 1,698,759
PROPERTY, PLANT & EQUIPMENT:		
Land and Land Improvements	$1,411,833	$ 712,833
Buildings	4,036,204	5,058,476
Furn. Fixtures & Equip.	849,370	843,855
Leasehold Improvements	64,533	54,533
Total Prop. & Equipment	6,361,940	6,669,697
Less: Accum. Depreciation	(1,090,502)	(1,059,231)
Total Prop. & Equip. (net)	$5,271,438	$ 5,610,466
OTHER ASSETS:		
Mortg. & Notes Receivable	$ 6,362,632	$ 6,694,356
Investments in Undeveloped Land & Building costs	55,368	-0-
Deferred Loan Costs	10,575	-0-
Organizational Costs (net)	4,870	18,957
Investment-Partnerships	881,968	51,128
Investment-Securities	1,002,652	963,701
Utility Deposits	4,265	4,265
Trademarks and Tradenames	510,000	510,000
Deferred Int. Receivable	-0-	209,382
Prepaid Expenses	3,439	-0-
Total Other Assets	$ 8,835,769	$ 8,451,789
TOTAL ASSETS	$15,246,560	$15,761,014

SOUTHERN SCOTTISH INNS, INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31 1991	December 31, 1990
CURRENT LIABILITIES:		
Accounts Payable	$ 466,179	$ 456,459
Interest Payable	117,105	114,748
Taxes Payable	470,500	430,042
Accrued Liabilities	218,972	146,964
Mortgages & Notes Payable	822,971	573,634
Total current Liabilities	$ 2,095,727	$ 1,721,847
LONG TERM DEBT:		
Mortgages & Notes Payable	$ 4,076,153	$ 4,438,369
DEFERRED CREDITS:		
Deferred Income Taxes	$ 128,404	$ 115,912
Deferred Income	3,513,602	2,027,553
Total Deferred Credits	$ 3,642,006	$ 2,143,465
Total Liabilities & Deferred Credits	$ 9,813,886	$ 8,303,681
STOCKHOLDERS' EQUITY:		
Common Stock - No Par Value Authorized 5,000,000 Shares Issued & Outstanding 2,297,253	$ 5,774,493	$ 5,963,039
Paid-In Capital	42,201	42,201
Retained Earnings	(325,877)	1,186,548
Current Year's Income	(324,990)	
Total	$ 5,165,827	$ 7,191,788
Minority Interest	266,847	265,545
Total Stockholders' Eq.	$ 5,432,674	$ 7,457,333
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$15,246,560	$15,761,014

SOUTHERN SCOTTISH INNS, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

	FOR THE THREE MONTHS ENDED MARCH 31, 1991	1990
REVENUES:		
Franchising Division	$ 594,523	$ 679,948
Financing Revenues	(38,063)	239,264
Motel Revenues	144,848	253,464
Food & Beverage Revenues	46,552	17,679
Food Service Division	-0-	45,182
Income From Investments	5,000	51,244
Gain On Sale Of Properties	-0-	(2,950)
Lease Income	44,081	
Total Revenues	$ 796,941	$1,283,831
COSTS AND EXPENSES:		
Operating Expense	$ 927,290	$1,008,735
Interest Expense	12,980	24,772
Depreciation & Amortization	41,689	42,709
Other Non-Operating Expense	139,972	63,010
Total Costs & Expenses	$1,121,931	$1,139,226
NET INCOME (LOSS):	$ (324,990)	$ 144,605

NOTE TO FORM 10 Q

A summary of the registrant's significant accounting policies is set forth in Note 1 to the consolidated financial statements of the registrant and its subsidiaries in the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, filed with the Securities and Exchange Commission, which report should be read in conjunction with this interim report.

In the opinion of management, the accompanying interim financial statements reflect all adjustments which are necessary to a fair statement of the results for the interim periods presented.

Item 6. Exhibits and Reports on Form 8-K.

(a) No exhibits are required to be furnished in accordance with 17 C.F.R. §229.601.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SOUTHERN SCOTTISH INNS, INC.

Date: March 23, 1992

By: _____
Jack M. Dubard, Vice President
(Chief Financial Officer)

Date: March 23, 1992

By: _____
Vivian E. Dukes
(Principal Accounting Officer)